

Message Text

UNCLASSIFIED

PAGE 01 TAIPEI 04891 270855Z
ACTION EA-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-01
INR-10 NSAE-00 ICA-20 TRSE-00 XMB-04 OPIC-06
SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-07
CEA-01 L-03 H-02 PA-02 AGRE-00 /110 W
-----087349 280433Z /15

R 270852Z JUL 78
FM AMEMBASSY TAIPEI
TO SECSTATE WASHDC 8313

UNCLAS TAIPEI 04891

E.O. 11652: N/A
TAGS: EFIN, TW
SUBJECT: RUMORS OF REVALUATION

1. ARTICLE IN JULY 26 EDITION OF ENGLISH LANGUAGE CHINA POST STATED THAT "THE DROP OF THE US DOLLAR AGAINST THE YEN MIGHT LEAD TO ANOTHER REVALUATION OF THE NEW TAIWAN DOLLAR FROM NT\$36:US\$1 TO NT\$34:US\$1 IN THE NEAR FUTURE, SOURCES SAID YESTERDAY." "SOURCES" WERE NOT IDENTIFIED. ARTICLE IN CHINESE LANGUAGE ECONOMIC DAILY NEWS OF SAME DATE REPORTED THAT GOVERNOR YU KUO-HUA OF THE CENTRAL BANK OF CHINA (CBC) HAD REITERATED THAT THE GOVERNMENT WOULD NOT CONSIDER A FURTHER ADJUSTMENT IN THE EXCHANGE RATE UNTIL A US DOLLAR FORWARD MARKET WAS ESTABLISHED.

2. OTHER CBC OFFICIALS TOLD EMBASSY THAT A DRAFT PLAN OF THE FORWARD MARKET HAS BEEN COMPLETED, BUT IS STILL UNDER STUDY BY THE RESEARCH DEPARTMENT OF CBC. IT NOW APPEARS THAT THE FORWARD MARKET MAY BE ESTABLISHED WITHIN A FEW WEEKS. DESPITE THE CHINA POST ARTICLE, IT IS NOT LIKELY THAT THE GROC WOULD REVALUE AGAIN UNTIL IT HAS HAD TIME TO ASSESS THE EFFECTS OF THE JULY 11 REVALUATION. PRELIMINARY ECONOMIC STATISTICS FOR JULY WILL NOT BE AVAILABLE UNTIL
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MIDDLE OR LATE AUGUST. UNGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REVALUATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 27 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978TAIPEI04891
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780309-0494
Format: TEL
From: TAIPEI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780712/aaaaakbw.tel
Line Count: 56
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4b84566b-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1862351
Secure: OPEN
Status: NATIVE
Subject: RUMORS OF REVALUATION
TAGS: EFIN, TW
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/4b84566b-c288-dd11-92da-001cc4696bcc
Review Markings:
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